# EXHIBIT A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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| IN RE: | . Chapter 11 |
| | . |
| | . Case No. 21-11336(KBO) |
| GULF COAST HEALTH CARE, LLC, et al, | . |
| | . 824 Market Street |
| | . Wilmington, Delaware 19801 |
| Debtors. | . |
| . . . . . . . . . . . . . . . . | . Wednesday, May 4, 2022 |

TRANSCRIPT OF VIDEO HEARING RE:
CONFIRMATION - COURT DECISION
BEFORE THE HONORABLE KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE

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(Appearances Continued)

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INDEX

(Proceedings commence at 3:30 p.m.)

THE COURT: Good morning, everyone. This is Judge Owens. This is the time that we are gathered to hear the ruling in Gulf Coast.

Before I begin, I guess I ask the parties: Is there anything we need to take are of ahead of time?

THE COURT: Okay.

UNIDENTIFIED: Nothing from the debtors, Your Honor.

THE COURT: Okay. Great.

Okay. As I mentioned, we're here on the Court's ruling on confirmation of the debtors' plan, as modified, found at Docket Number 1217.

The confirmation proceedings lasted four days; and, during such time, the Court heard credible and competent testimony from Mr. Jones, the debtors' Chief Restructuring Officer, as well as Mr. Vogel, the debtor's independent manager; Mr. Chermayeff, a representative of Barrow Street Capital, and Ms. Kjontvedt, on behalf of Epiq, the debtors' administrative advisor, assisting the debtors with, among other things, tabulating the votes cast on the plan.

In addition, approximately 91 exhibits were admitted into the record by the parties and considered by the Court.

And finally, there was voluminous briefing on the

contested confirmation issues filed by interested parties and extensive argument was had.

The plan embodies a settlement between the debtors and their key stakeholders; namely, the committee, Omega, and certain affiliates and insiders known as the "contribution parties, that was reached following the parties' voluntary agreement to mediate with former Judge Peck. It provides for an aggregate guaranteed minimum recovery of at least $10 million to holders of general unsecured claims in Class 7.A and litigation claimants, mostly PLGL plaintiffs, in Class 7.B.

Following further discussions among the parties during the confirmation proceedings, the minimum guarantee was increased to 11.5 million, with the additional 11 point - excuse me -- with the additional 1.5 million earmarked for Class 7.B, to ensure equality of distribution among that subclass following the assumption of several settlement agreements.

Additional future amounts may flow to the estates for distributions for unsecured creditors following the liquidation of certain business interruption and D&O insurance policies.

Mr. Jones testified that, as a result of the guaranteed funds, claim waivers, and redirection of proceeds agreed to by Omega and the contribution parties, allowed

claims of creditors in Class 7.A are projected to receive a recovery of approximately 19 percent, with those in 7.B to receive approximately 21 percent.

Mr. Jones further explained that these projected recoveries for unsecured creditors would not be available absent the voluntary contributions of Omega and the contribution parties.

Specifically, New Ark, the service providers, and the equity sponsors, collectively known as the "contribution parties," have agreed to contribute 14.75 million in cash to fund a certain amount of allowed professional fee claims and the guaranteed minimum to unsecured creditors.

New Ark has also agreed to redirect any recoveries that it is to receive on account of its Section 507(b) priority claim arising from the debtors' use of its cash collateral during the Chapter 11 cases, as well as certain recoveries it's to receive on account of its secured pre-petition claim.

Moreover, the service providers agree to waive recoveries on account of their pre-petition claims.

Omega has agreed to 1 million for allowed professional fee claims and up to 1 million of business interruption insurance proceeds, if obtained, for the unsecured creditors. It has also agreed to waive repayment of its DIP financing claim and redirect any recoveries that

it's to receive on account of pre- and post-petition claims for the benefit of the unsecured claimants.

In toto, the debtors estimate that Omega and the contribution parties have contributed to the plan up to 16.7 million of new money, a waiver of approximately 48 million of post-petition DIP, administrative, and priority claims that arose when all the parties knew they would never be repaid, and a waiver or redirection of 124 million of pre-petition claims.

Without the agreements to redirect proceeds and waive claims, the debtors' current Class 7 unsecured creditors would be substantially diluted and would only share in approximately 31 percent of the funds available to unsecured creditors in a non-consensual Chapter 11 scenario. Under the current plan, they receive a 100 percent of the guaranteed amount.

The unrebutted evidence also indicates that the debtors have little to no available assets with which to fund a plan or a Chapter 7 liquidation, save for potential causes of action stemming from certain insider or affiliate transactions with some of the contribution parties. As a result of the limited assets and significant amount of claims projected to be allowed against the estates, Mr. Jones testified that the debtors would need to obtain somewhere north of 175 million in litigation proceeds on those causes

of action to guarantee the plan's projected minimum recovery to unsecured creditors; 75 million would need to be obtained just to permit any recovery to unsecured creditors in a Chapter 7 scenario.

The need for and benefits of the current plan settlement is explained and supported by, among other things, the hypothetical Chapter 7 waterfalls prepared by Mr. Jones and his team as material information was garnered. Those are found at Debtor Exhibits 19 and 20. The waterfall and the assumptions underlying it have not been meaningfully challenged.

In return for and as a condition to their plan contributions, Omega and the contribution parties have demanded releases for themselves and certain related parties from the debtors, as well as non-consensual releases from the litigation creditors in Class 7.B.

Also included in the plan's definition of "third-party released parties" are all the PLGL codefendants and their related parties, which would capture certain former debtor employees and current and former officers. Pursuant to the plan, creditors who vote in favor of the plan are also giving a release of third-party released parties, but that release is consensual.

The plan termsheet found at Debtors' Exhibit 17, executed by the debtors, the creditors' committee, Omega, and

the contribution parties, following their successful mediation, memorializes the parties' terms, including the demand for and requirement of the plan's non-consensual third-party releases.

The Court also heard testimony from Mr. Chermayeff as to why Barrow Street wants the releases for itself and its related parties, and why it conditions its plan contributions on their inclusion in the plan; namely, they wish to buy peace and finality, a position the debtors' representatives believe New Ark, the service providers, and all of their related parties take, as well.

In agreeing to the releases, Mr. Vogel, the debtors' independent manager, with the sole authority to pursue, settle, and release the debtors' causes of action, testified credibly that he believed that it was in the best interests of the debtors' estates, fair and reasonable to do so because the releases are a necessary inducement for the plan contributions of Omega and the contribution parties, without which the current plan could not be proposed, and without which unsecured creditors would receive no distribution.

Supporting that conclusion was Mr. Vogel's understanding of the nature and value of the debtors' assets available to fund creditor recoveries; namely, the affiliate and insider causes of action and the amount and priority of

claims, as set forth in Mr. Jones' waterfall scenarios.

To gain an understanding of the affiliate and insider causes of action, Mr. Vogel led and controlled an investigation into the estate's causes of action related to the affiliate and insider transactions. The investigation was independent, sufficient in scope, and conducted by able and experienced professionals. No real challenge has been made to these conclusions. The investigation yielded a report that concluded that, at best, the causes of action would yield approximately 64.3 million for the estates.

While the objecting parties attempted to discredit some of the conclusions in the investigation report, including the ultimate recovery conclusions, they neither shared with the Court the results of their own investigation, if one was undertaken, nor offered their own valuation conclusions and analysis.

Moreover, their targeted challenges to the report failed to seriously impact the material conclusion reached by Mr. Vogel that led to his decision to enter into the plan settlement, that the plan's guaranteed distribution to unsecured creditors resulting from the contributions of the released parties will likely yield far better recoveries to creditors than those that could be achieved absent the plan settlement.

Again, the waterfall indicates that 175 million of

litigation proceeds, approximately 2.8 times more than the debtors' high value estimate, would need to be obtained to yield the same result as the plan. And even if there was credible evidence that 175 million could be obtained in litigation, which there isn't, the Court cannot discount the risk of that litigation, the likelihood of recovery against the defendants, and the time value of money, all additional considerations of Mr. Vogel in reaching his decision to approve the plan settlement on behalf of the debtors.

Mr. Jones also offered his support for the plan for the same reasons as Mr. Vogel. Moreover, in support of the plan, the committee filed a statement, representing that it conducted its own investigation into potential estate claims and causes of action, including those that may exist against the contributing parties. Like Mr. Vogel, the committee used the results of this investigation, as well as Mr. Jones' waterfall, to negotiate with the Omega -- with Omega and the contribution parties, and agreed to the proposed plan.

For similar reasons as the debtors, the committee concluded that the settlement and its guarantee to unsecured creditors is the best possible outcome for creditors under the circumstances.

With respect to the six voting classes of impaired claims, all but Class 7.B, the litigation claimants, and those subject to the non-consensual third-party releases

voted to accept the plan.

While the debtors maintain that Class 7.B accepted the plan, I find that the second ballot cast by Millenia after the voting deadline, which tilted the subclass' vote in favor of the plan, was inappropriately accepted by the debtors, pursuant to the disclosure statement order. Millenia cast its first ballot, which rejected the plan, shortly before the voting deadline. It has been asserted, but not proven, that Millenia then realized that it submitted its ballot in error as rejecting, when it really wished to accept. Millenia then sent a second ballot, this time accepting, within two hours after the voting deadline.

The debtors agreed to, quote, "waive" the voting deadline and accept that second ballot. Ms. Kjontvedt testified that there were no defects or irregularities with respect to Millenia's first ballot, but that she accepted the late-filed second ballot after consulting the debtors and reviewing Paragraph 28 of the disclosure statement order.

Regardless of Ms. Kjontvedt's belief that accepting Millenia's ballot was appropriate, the terms of the disclosure statement order do not allow its acceptance. The parties' arguments on this topic were confined to the application of Paragraphs 22 and 28 through 30 of the disclosure statement order.

The facts of the Millenia changed vote do not fit

into the circumstances described in Paragraphs 29 or 30 of the order because Millenia's vote was not withdrawn, which is Paragraph 29, and the second ballot changing Millenia's vote was not cast before the voting deadline, and there's no evidence suggesting that the voting deadline was extended for Millenia, let alone prior to its expiration, which would cover Paragraphs 22 and 30.

Moreover, Paragraph 28 does not apply because Ms. Kjontvedt testified in her capacity as a professional, with extensive experience with vote tabulation, that the original Millenia ballot did not contain any defects or irregularities for the debtors to waive.

Accordingly, with Millenia's accepted vote removed, 54 Class 7.B creditors voted to reject the plan and 53 voted to accept, resulting in a 50.74 rejecting percentage.

Fifty-two of the fifty-four rejecting creditors filed objections to the plan that were still extant at the closing of the confirmation proceedings.

In addition, the Office of the United States Trustee objected to confirmation of the plan.

All objecting parties object to the inclusion of the non-consensual third-party releases, with the litigation creditors focusing mainly on those to be granted in favor of the insider affiliate contribution parties.

In addition, the litigation creditors object to the

debtors' release of those parties, the plan's Class 7 subclassification of unsecured creditors, the debtors' allocation of the settlement proceeds between the subclasses, the debtors' best interests test analysis, the good faith of the debtors in proposing the plan, the proposed litigation claims procedures, and the original identity of the litigation claimants trustee. Excuse me.

In addition to the inclusion of the non-consensual third-party releases, the U.S. Trustee also raised limited objections to a number of specific plan provisions. All but one of those were consensually resolved by the parties following the close of the confirmation proceedings.

After considering the evidence and legal position of the parties, I have determined that the debtors have not met their burden necessary to confirm the plan with non-consensual third-party releases. My decision was not easily reached, but it is one that the law requires.

The contributions of Omega and the contribution parties, either on behalf of themselves or other related release parties, are substantial, and have enabled a recovery to unsecured creditors when one otherwise would not exist, and those enabling contributions are conditioned on the grant of releases embodied in the plan.

The evidence presented was also sufficient to show that the settlement embodied in the plan was achieved during

arm's length, good faith negotiations among the debtors, the committee, Omega, and the contribution parties, and that the debtors' decision to enter into the settlement was the result of reasonable and appropriate business judgment, based on an independent, full and fair investigation into the settled debtor claims and appropriate waterfall analysis, which was updated regularly as material information came to light, and the consideration of other relevant facts and circumstances that support a firm settlement with the litigation targets today.

However, while those conclusions lend support for the Court's approval of the debtors' releases of their claims against the nondebtors, they cannot, by themselves, support approval of the non-consensual third-party releases.

These types of releases are not broadly sanctioned. They require satisfaction of, quote, "exacting standards" set forth by the Third Circuit in Continental. Those standards require that the Court conclude, based on specific supportive factual findings, that the non-consensual third-party releases are not only necessary to the success of the debtors' reorganization, but also fair to the releasing creditors and given to them in exchange for reasonable consideration. Here, critical factors that courts in this circuit traditionally rely on to conclude that a plan's inclusion of non-consensual third-party releases is

appropriate are missing.

At the outset, I'll note that, while the parties did not focus their presentations on the propriety of the third-party releases granted to Omega, the D&Os, and the employees, many or all of the factors that I will discuss with respect to the contribution parties are also missing with respect to the other released parties.

For instance, Omega is making a substantial contribution to the plan, but nothing else in the record supports the receipt of non-consensual third-party releases. There is no record supporting the third-party release of the debtors' former employees. And debtors admit that all parties are willing to remove them and continue with the proposed plan. While the D&Os may meet some of the criteria necessary to justify their inclusion as non-consensual released parties, such as identity of interest, no evidence was introduced in support.

So, with respect to the contribution parties, first, the debtors do not share an indication of interest with the released parties.

Moreover, the debtors did not file these cases due to the PLGL litigation sought to be permanently enjoined. There is no evidence suggesting that the PLGL codefendants and any other relevant released party will be unable to defend themselves in that litigation, unable to satisfy

judgments against them if obtained, or could look to the debtors' estates for indemnification, contribution, or the like. The only justification for the release is the desire by the contribution parties to achieve peace and finality in exchange for their contributions to the plan. While I appreciate and understand that desire, it is not a sufficient basis to justify a release of the third-party claims, given the totality of the circumstances.

Moreover, while the debtors cite to cases for the proposition that parties may share an indication of interest simply by possessing a common goal of confirming a plan and consummating the transactions embodied therein, those cases are a slim minority and I disagree with them. If that were the indication of interest test, every plan in which a debtor advocates for the inclusion of non-consensual releases on behalf of a third party could satisfy the test. Moreover, I'm puzzled as to the relevancy of a shared common goal to Continental's required questions of necessity and fairness.

Additionally, and perhaps more critically, the affected PLGL plaintiffs in Class 7.B have not overwhelming voted to accept the settlement and release of their claims as embodied in the plan. As courts have acknowledged, this is often the best evidence of fairness of a plan's third-party release to releasing parties.

Support is commonly garnered through negotiation

with the affected creditors or a representative body. But here, the litigation creditors had no voice in the plan settlement process or the allocation of the contributed funds, either directly or through a seat on the committee.

Moreover, while their projected recovery under the plan is more than what they would be entitled to a Chapter 7, the releasing creditors are receiving nowhere close to payment in full. And at worst, the evidence suggests that Class B -- 7.B creditors are not receiving anything on account of the released claims against the third parties by the released parties. Rather, the evidence suggests that the contributions made by the contribution parties were made on account of the estate's viable causes of action against them.

Indeed, no separate analysis was performed by the debtors or the committee as to the value of the third-party released claims at the time the settlement was achieved. And as will be explained, the debtors, with the support of the all trade committee, worked to allocate the guaranteed amount, so that creditors in Class 7.A, with likely no pending third-party claims, and those in in 7.B with third-party claims, would receive the same or close to the same pro rata distribution of the plan's guaranteed funds. No other evidence has been provided by the debtors to suggest a valuation of the third-party PLGL claims or to explain how any of the guaranteed amount to be distributed under the plan

is on account of those claims.

The debtors argue that the third-party claims against the contribution parties are derivative in nature and, thus, are to be released under the release the estates are granting to the contributing parties. As such, they argue that the third-party claims have *de minimis* value and should not be entitled to disturb plan settlement.

The direct derivative issue is complex, not appropriately and fully briefed, and concurrent -- and currently is undecided. The creditors vigorously dispute the debtors' positions from a legal standpoint and also highlight the debtors' own earlier attempt during these cases to extend the stay to the PLGL lawsuits as not estate claims and the debtors' pre-petition history of sharing the defense of the PLGL lawsuits in State Court with the relevant contribution party codefendants. These facts certainly confuse the issue even further.

As made clear by the Circuit in Continental, third-party releasing creditors must receive consideration on account of the third-party released claims they are forced to give up under a debtor's plan, and it is insufficient for them to receive as consideration only a distribution on account of their claims against the debtor.

It is the debtors' burden to establish necessity and fairness, and they have not done so here. As explained

by the Third Circuit in its Millennium Lab decision, in rendering a decision on a request to include non-consensual third-party releases in a plan, I must exercise caution and diligence and am obligated to approach their inclusion with the utmost care. I have done so, and I am unable to conclude that there is sufficient justification for the non-consensual third-party releases proposed in the plan. Excuse me.

While the debtors believe that the plan as proposed cannot go forward without the non-consensual third-party releases, I'll briefly address the remaining issues.

The litigation claimants object to the debtors' release of, among others, the contribution parties. As explained by Judge Carey in his 2010 Spansion decision, courts may approve such releases after considering the facts and equities of each case.

Section 1123(b)(3)(A) permits debtors to release estate claims against nondebtor third parties if the release is a valid exercise of the debtor's business judgment, is fair, reasonable, and in the best interest of the estate. While a court can use the five Master Mortgage factors as a guidepost to make that determination, all need not be present for a court to approve a proposed release, and they are not the exclusive set of factors a court may consider in reaching a decision.

For the reasons already described, the debtors'

agreement to release the nondebtor parties outlined in the plan is fair, reasonable, and in the best interest of the estates and is a valid exercise of their business judgment.

Moreover, the committee, serving as estate fiduciary, supports the releases, and five of the six voting classes voted overwhelmingly in favor of the plan, including the debtors' releases contained therein. That is unsurprising, since the plan as proposed is the only pathway for a recovery to unsecured creditors and provides a home run, value-maximizing transaction on account of the debtors' assets in exchange for the releases, thus achieving recoveries for unsecured creditors beyond what they could expect in both a Chapter 7 liquidation and a non-consensual Chapter 11 plan scenario.

The litigation creditors assert that the debtors have not sufficiently satisfied the best interests test of Section 1129(a)(7) because the analysis excludes the value of third-party claims proposed to be non-consensually released under the plan. The Court is not approving those releases. But even if it was, I disagree that a valuation of released third-party claims asserted against nondebtors is required under the best interests test.

Persuasive case law, including Judge Drain's decision in Purdue Pharma, explains why the plain language of the Code does not require it. The Code mandates a comparison

between the amount objecting creditors would receive under the plan on account of their claims against the debtors and what they would receive on account of such claims if the debtor were liquidated in a Chapter 7. That conclusion is also supported by the Delaware District Court in its 2012 W.R. Grace decision.

The litigation creditors argue that the plan improperly separates the Class 7 unsecured claims into two subclasses. Classification of similar claims or interests must be reasonable to satisfy Sections 1129(a)(1) and 1122. The evidence shows that the debtors separately classified the Class 7.A and 7.B claims to enable quicker distributions to those creditors in Class 7.A who have mostly asserted liquidated, undisputed claims, unlike a sizeable portion of the litigation claimants in Class 7.B. The 7.B claims would complicate and delay distributions to Class 7.A claimants if the classes were combined because 7.B claims will need to be reconciled and may be estimated.

Moreover, the record reflects that the claimants placed in 7.B are those with third-party claims subject to the proposed non-consensual releases. Placing them in a subclass made it easier to narrow and identify the affected creditors and I think, most importantly to the classification analysis, gave them a voice in the proceeding.

If Class 7.B claimants were lumped with Class 7.A

creditors into one divided Class 7, it is undisputed that the litigation creditors rejecting the plan would be diluted by a large number of accepting voters that would carry the undivided class. As such, it was reasonable and appropriate for the debtors to place the 7.B claimants into their own class and give them a separate voice in these proceedings.

Several objecting parties point out a *de minimis* number of creditors who may have been misclassified between Classes 7.A and 7.B. But any misclassification did not cause any harm because the Class 7.B creditors rejected the plan.

Class 7.B has voted to reject the plan. Accordingly, Section 1129(a)(8) has not been satisfied and the debtors must show that the plan does not unfairly discriminate and it's fair and equitable with respect to Class 7.B.

The litigation creditors argue that the plan unfairly discriminates between them and the equal priority creditors of Class 7.A because the allocation of the guaranteed funds for distribution to unsecured creditors was done incorrectly and will result in Class 7.B receiving a lower percentage recovery from the estates on account of their allowed claims than those similarly situated in Class 7.A.

Moreover, they argue that creditors in Class 7.A were given the opportunity to avoid the third-party releases,

whereas they were not. The latter point is moot given my ruling today on the releases.

Mr. Jones' testimony reflects that, after the settlement was reached and the guaranteed minimum was earmarked for unsecured creditors, the debtors undertook a process of reconciling the asserted unsecured claims to determine a projected aggregate of likely allowed claims in each Class 7 subclass to divide sufficient funds between the subclasses, so that each Class 7 creditor would receive the same pro rata recovery. Debtors' Exhibit 21 reflects the ultimate result of that exercise with 63 percent of the guaranteed minimum allocated to Class 7.A and the remaining 37 percent to Class B.

With respect to litigation claims in 7.B that are disputed and unliquidated, Mr. Jones and his team, with the assistance of personnel from HCN who have historically overseen the debtors' claim and litigation matters, and thus possess relevant knowledge regarding the subject claims, analyzed the historical five-year settlement history and other various factors they determined to be key markers of settlement value to determine ranges of likely claim recoveries. Prior judgment amounts were unavailable to consider because none exist.

The desire and approach taken by the debtors to divide the funds to ensure an equal pro rata recovery to all

unsecured creditors is commendable. However, for reasons explored by the litigation creditors during the confirmation proceedings, there is a likely chance that the debtors' estimates of the total claims pool of Class 7.B will be incorrect and that the percentage recoveries to allowed claimants in that class will be lower than 7.A.

The magnitude of any such disparity, however, is unknown. The estimate of aggregate 7.B claim amounts ranges from the debtors' high estimate of 24.1 million to approximately forty-eight -- 488.7 million, representing the aggregate of scheduled claims and asserted proofs of claim that have not been objected to or estimated.

Nonetheless, even if the magnitude was sufficient shown to be material, the discrimination would not rise to a level -- to an unfair level. The recoveries to creditors in this case result from contributions of third parties. Absent the contributions of Omega and the contribution parties, Class 7.B creditors would receive no recoveries on account of their claims. Accordingly, as explained by the Exide, Nuverra, and Genesis Health decisions, any presumption of unfairness as a result of possible material unequal recoveries between creditors in Class 7.A and 7.B would be rebutted.

In determining when a plan is proposed in good faith, courts consider the totality of circumstances,

focusing more on the process of plan development than to the context of the plan. Good faith is shown when the plan has been proposed for the purpose of reorganizing the debtor, preserving the value of the estate, and delivering that value to creditors.

On the other hand, good faith has been found to be lacking if the plan is proposed with ulterior motives. While some of the objecting litigation creditors have argued that the debtors lacked good faith in proposing the plan, that objection is not sustainable given the facts adduced at trial underlying the process undertaken to value estate causes of action, analyze possible pathways to creditor recovery, engage in substantive negotiations with key stakeholders regarding a plan settlement with the assistance of an experienced judicial mediator, all while facing extreme liquidity constraints, and continuing to refine the settlement and augment recoveries to unsecured creditors embodied in the plan throughout the confirmation proceedings.

Circumstantial evidence relied upon by the objecting parties to support an argument of bad faith, including possible problems with the subclassification of certain Class 7 claims, the Class 7.B vote tabulation, and the assumption of certain 7.B settlements, is not sufficiently persuasive to contradict the Court's conclusion that the debtors acted in good faith when proposing the plan.

As related by the parties yesterday via joint email to the Court, all but one of the remaining objections raised by the U.S. Trustee in its formal objection had been resolved.

The open objection relates to the debtors' request in Article X(5) -- or excuse me -- 10(f) to serve as the exclusive gatekeeper post-confirmation with respect to released claims. In particular, the debtors had requested that I retain sole and exclusive authority to determine whether a claim or cause of action against a released party arises from or is related to a debtor-released claim or a third-party released claim and, in doing so, authorize such party to bring the claim against the relevant release party.

I will sustain the U.S. Trustee's objection on this point. I see no reason to retain exclusive jurisdiction for a determination that has been requested of me. The confirmation order says what it says, and the other courts should be entitled to -- or excuse me -- the plan says what it says, and other courts should be entitled to exercise their authority to interpret it.

Imposing such a requirement could also impose an unnecessary administrative hurdle and cost the parties when these cases are closed.

That takes us to the last objection regarding the trust procedures and trustee identification. The litigation

creditors objected to the debtors' litigation claims procedures and the identity of the litigation clams trustee, as set forth in the plan supplement. The debtors wish to resolve the objections with the litigation claimants.

Given that it's unclear whether the plan will move forward in these cases; and, if so, what form it will take, I will not address these issues as they are not ripe.

For similar reasons, the Court -- myself -- has not reviewed the debtors' revised proposed confirmation order, but will do so, if appropriate, at a future time.

To the extent that the parties raise other objections to confirmation of the plan that I have not specifically addressed, they are overruled.

The plan, the evidence adduced in favor of confirmation and the legal briefing support the conclusion that the debtors have met all other confirmation requirements of the Code, including those of Section 1122, 1123, and 1129, and would be entitled to approval of their plan absent the non-consensual third-party releases.

Thank you for enduring that lengthy oral ruling. I know that this is a lot of information for the parties to process, and you may not have an understanding of how you wish to move forward. I guess I would suggest to the parties, if they would like it, I'm happy to put a date on the calendar in the near future for a status conference, or

you could reach out to my chambers and let me know whether that would be something that the parties are interested in doing.

MR. SIMON: Thank you, Your Honor.

THE COURT: Mr. Simon.

MR. SIMON: Thank you, Your Honor. Obviously it's a lot to digest. So perhaps we should convene with the parties and come back to you as -- in connection with next steps, and we'll reach out accordingly.

THE COURT: Okay. I have some time next week, so, if you want to save any of that time or reserve any of that time --

MR. SIMON: Sure.

THE COURT: -- just email Ms. Lopez and she will get it on the calendar.

MR. SIMON: Okay.

THE COURT: Okay.

MR. SIMON: Thank you, Your Honor. We appreciate that.

THE COURT: All right. Thank you all very much. And I apologize, for some reason, my throat was acting up the moment I took the bench today. So, hopefully, you were able to hear and understand that ruling.

And unless there's anything further, we will adjourn for the day.

Mr. McNeill, I see that you're on the line. Is there anything that we need to talk about?

MR. MCNEILL: No, Your Honor. I just was putting my face on the screen to thank Your Honor for your ruling.

THE COURT: Okay. Thank you, all, very much. I look forward to hearing from you all in the near future. We can consider this hearing adjourned. Take care. Have a good night.

COUNSEL: Thank you, Your Honor. Thank you.

(Proceedings concluded at 4:04 p.m.)

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CERTIFICATION

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter to the best of my knowledge and ability.

May 4, 2022

Coleen Rand, AAERT Cert. No. 341
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